FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 18, 2005

Darrell Connerton, Treasurer
Riverside County Republican Central Committee
31618 Corte Rosario
Temecula, CA 92592

**Response Due Date:
June 17, 2005**

Identification Number: C00100644

Reference: July Monthly Report (6/01/03 – 6/30/03)

Dear Mr. Connerton:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-The beginning cash balance of this report should equal the ending balance of your June Monthly Report (5/01/03 – 5/31/03). Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

-Your report discloses a negative ending cash balance of $11,016.00. This suggests that you have either overdrawn your account, made a mathematical error, or incurred a debt. If your committee has incurred a debt or obligation, please show a zero balance on Line 8 of the Summary Page and reflect the amount and the nature of the debt on Schedule D and Line 10 or provide clarifying information. 2 U.S.C. §434(b)(8)

-Your report discloses negative outstanding balances beginning this period for debts owed to "Mr. John Burkett" and "White Star." However, outstanding balances at the close of the period were not disclosed on your June Monthly Report (5/01/03 – 5/31/03). Please provide further clarification as to why these beginning balances are negative amounts, or amend your report to clarify these discrepancies.

-The Detailed Summary Page, on Line 18(a) Column A of your 2003 Amended May Monthly Report (4/01/03 – 4/30/03), received 11/05/03,

June Monthly Report (5/01/03 – 5/31/03), and July Monthly Report (6/01/03 – 6/30/03) combined, discloses $50,000.00 in transfers from the non-federal account for allocated activity for the reporting period. However, Line 21 (a)(ii) Column A of these reports combined discloses $30,616.75 as the non-federal share for allocated activity for the reporting period. While the non-federal account is permitted to transfer funds to the federal account for allocated activity, transfers for allocated activity must be made within a 70-day time period: no more than 10 days before or 60 days after the payment to the vendor. 11 CFR §§106.6(e)(2) and 106.7(f)(2) Please clarify the nature of the transfers-in from the non-federal account.

The Commission recommends that you immediately transfer back to the non-federal account, the total excessive amount which was received by your federal account outside the 70-day time period. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

-Schedule H4 supporting Line 21(a) of your report discloses payments for "Executive Director Payroll". Please be advised that pursuant to 11 CFR §300.33(c)(2), salaries and wages for employees who spend more than 25% of their compensated time in a given month on Federal election activity or activities in connection with a Federal election must not be allocated between or among federal and non-federal accounts. Rather, only federal funds may be used. Further, the Commission concluded in Advisory Opinion 2003-11 that amounts spent for employee-specific "fringe benefits," consisting of health insurance, disability insurance, life insurance, retirement benefits and payroll taxes, fall into the category of compensated time.

Any reimbursement from your committee's non-federal account for this payment is not permissible and must be returned. Although the Commission may take further legal action regarding this improper allocation activity, your prompt action will be taken into consideration.

-On Schedule H4, your allocated activity or event year-to-date total calculations for the Administrative Category are incorrect. Allocated activity or event year-to-date totals for administrative, voter drive and exempt activity costs are derived by aggregating all disbursements during the calendar year for each separate category. Allocated activity or event year-to-date totals for fundraising and direct candidate support activities are derived by aggregating all disbursements during the calendar year within a specific event. These should be calculated by adding the latest disbursement for a category or event to the previous event year-to-date total
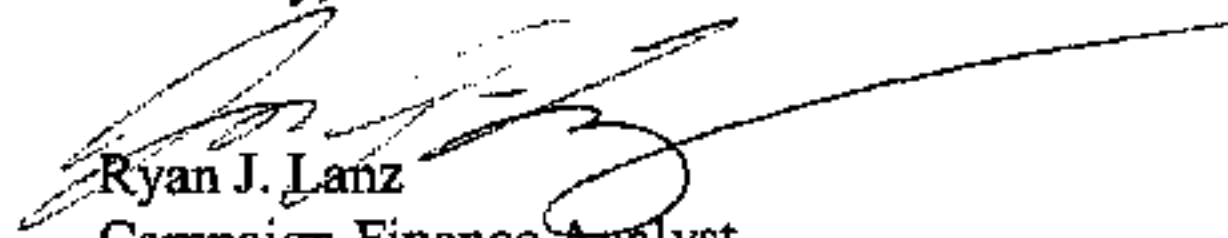
for that category or event. This running event year-to-date total should be disclosed after each disbursement is listed. Please amend your report by providing the correct event year-to-date totals.

Unlike previous election cycles, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1399.

Sincerely,

Ryan J. Lanz
Campaign Finance Analyst
Reports Analysis Division

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